

**[Draft: Michael Ziegler]**

Thank you, Mr. Farish.

I am here today to speak to you about the NTRA's Safety and Integrity Alliance.

Last year at this time, the industry's collective memory was filled with negative images ... Eight Belles' break down, Big Brown's steroid usage and Congressional hearings on drugs and injuries in horse racing.

The media, the general public, our fans, Congress, and many members of our industry questioned the sport's safety and integrity and seriously doubted its ability to reform.

NTRA consumer research conducted following the Triple Crown revealed that Thoroughbred racing was facing serious challenges on two key fronts – performance enhancing drugs and the safety of our human and equine athletes.

Our research firm compared us to Tylenol in the 1980s and boxing in the 1990s. To regain the public's trust, we needed action that was swift, bold, transparent and authentic.

The Jockey Club's Thoroughbred Safety Committee and other industry leaders quickly identified key reforms and policy changes.

The needed changes were substantive. The industry had to address difficult issues like steroids, uniform drug and medication rules, penalties and testing procedures, equine injury reporting, and aftercare for our retired athletes. These subjects are not for the faint of heart.

All this took place in full view of the media and the public, with extensive input – and criticism – from our fans and industry stakeholders. In the face of this crisis, the industry became forthright about the need for reform.

The dialogue for change that began last summer translated from words to action.

With the full support of our Board of Directors and many in the horse industry, including many of you in this room, the NTRA took a crash course in how best to quickly implement uniform national reforms in our diverse, state-regulated industry.

We quickly realized that that, like other highly regulated industries such as health care and higher education, our best chance for reform was in the formation of a self regulatory organization. Many industries like ours rely heavily on a program of accreditation to set standards, enforce compliance and punish outliers with the loss of accreditation. We retained Aiken Gump, a major Washington, D.C., law firm with expertise in the formation and organization of self regulatory organizations to assist us in this effort. Then, in the fall of last year, the NTRA announced the formation of the NTRA Safety and Integrity Alliance.

At that time, 55 racetracks and every major horsemen's organization and group pledged their support for the Alliance affirming that "The health and safety of our human and equine athletes and the integrity of our sport are horseracing's top priorities." Quickly thereafter, we finalized

the Alliance Code of Standards which sets forth in great detail a common minimum set of standards to be followed by various industry stakeholders.

The Alliance Code of Standards sets forth standards in each of the following areas:

- Injury and fatality reporting and prevention
- Safety Equipment and a safer racing environment
- Safety Research
- Medication and Testing
- Jockey Health and Safety
- Aftercare and Transition of Retired Racehorses

Initially, racetracks satisfying substantially all conditions for certification receive full accreditation for a period of 24 months. But the current version of the Code represents only the initial standards of the Alliance. Over time, as new research and recommendations which merit inclusion become available, the Code will be updated and amended.

For details concerning the Code of Standards, please go to [NTRAlliance.Com](http://NTRAlliance.Com).

To give the Alliance an added layer of transparency and credibility with our fans and industry stakeholders, the Alliance has named the Honorable Tommy Thompson, former U.S. Secretary of the Department of Health and Human Services as its independent monitor.

The Accreditation application process itself is arduous and requires not only extensive effort by the applying track but also a tremendous amount of cooperation from the track's regulatory body. In fact, accreditation simply cannot be completed in any jurisdiction without the cooperation and involvement of state regulatory authorities.

Once the application is complete, an extensive site inspection is conducted, usually over a 2-3 day period when the applying track is conducting live racing. The inspection team includes a regulatory veterinarian with extensive racetrack experience as well as an individual with track operations and management experience. The inspection team also includes a member from the Alliance who coordinates the inspection team efforts and provides continuity from state to state and track to track.

In April, Churchill Downs became the first of nine racetracks to be accredited so far. Accredited tracks can now be found in New York, New Jersey, Kentucky, Delaware, Illinois and California. Pimlico in Maryland has been provisionally accredited and we expect to fully accredit Calder Racecourse in Florida very soon. The accreditation of tracks in each of these states means that most major racing states are already essentially uniform in their approach to critical safety and integrity matters such as pre-race inspections, injury reporting and post race drug testing and enforcement.

And the accreditation of every track has required substantive operational changes: For example, one track became directly affiliated with an aftercare facility for the first time; another is implementing pre-race testing for TCO2. Such progress in such a short a period of time makes a strong statement that the Thoroughbred industry takes seriously its pledge to reform. In any event, we expect to accredit 25 tracks by the end of the year.

While improved safety and integrity are the primary goals of the alliance, early research indicates that our fans are paying attention and so far, they like what they see.

Due to our words and actions, today a solid majority of core fans believe the environment for racing is safer than one year ago.

An estimated 6.3 Million Core fans and 44 Million Sports fans say they are aware of the Alliance.

A large percentage of both Sports fans and Core fans believe our efforts to improve safety and integrity are sincere.

Some nine million Sports fans who called for an outright ban of Thoroughbred racing in 2008, feel differently today than they did only one year ago.

A majority of Core fans believe the Alliance will succeed in bringing about greater uniformity and integrity within three years.

Despite these positive shifts in public opinion, we still face serious challenges on the integrity front. There remain large percentages of the fan base disillusioned by issues like performance enhancing drugs and therapeutic overages, as well as safety and welfare issues. And issues like wagering integrity continue to bubble up to the surface with alarming regularity. So, much work remains to be done if our pledge to reform is to become a reality in the minds of the public.

Awareness of the Alliance efforts by some 50 million people doesn't just happen magically with the wave of a wand. It takes words, action, communication and promotion. The upcoming public service announcement was produced by the NTRA and aired on ESPN, Fox Sports, TVG, HRTV and racetrack closed circuit systems.

Whether the accreditation process is sufficient to satisfy the public's demand for reforms remains to be seen; but, the NTRA firmly believes the process will work and if we stay the course, then over time, the public and all industry participants will support those tracks that are fully compliant with the Alliance Code of Standards.

The English writer Thomas Hardy once said that the main object of religion is not to get a man into heaven, but to get heaven into him. The same can be said of the Alliance. We are not out to make angels. Our goal is to have every person in our industry think and act as though the life of a horse or rider was in his hands. That is an enormous responsibility... one that we all must embrace.